

The C&E.D. Report

News from COMMUNITY & ECONOMIC DEVELOPMENT

About The C&ED Report

The C&ED Report is produced quarterly to inform stakeholders about the City's progress in Economic Development, Redevelopment and Community Services activities. This publication focuses on the latest news and activities relating to business assistance and advocacy; partnerships in business expansion, attraction and retention; neighborhood revitalization and infrastructure improvements; redevelopment; and community and social services.



Helping People Get Around in Uptown: New wayfinding signs are popping up in the Uptown area bordered by Interstates 8 and 5 and Balboa Park. Uptown Partnership, Inc. has created signs that direct drivers to parking lots and other designated parking areas to help alleviate traffic congestion. The goals are to help ease demand for on-street parking meter spaces and keep traffic circulating smoothly. Since 1997, the Parking Meter District Program in Uptown has encouraged the community to walk and has focused on creating more pedestrian mobility and safety. For more information, contact **Michele St. Bernard** at (619) 533-4218.

Renewal Community and Enterprise Zone Workshops: The City of San Diego, in partnership with the Greater Golden Hill Community Development Corporation (CDC), the Business Improvement District Council and Grueskin Location Strategies, hosted two free workshops mid-March explaining how businesses can take advantage of Renewal Community and Enterprise Zone tax savings, as well as other City assistance opportunities. The workshops were well received by businesses in attendance. For more information, contact **Ples Felix** at (619) 533-5442.

Affordable Housing in San Ysidro: Construction of an eight-unit affordable housing project, Casitas de las Florecitas, has begun in the San Ysidro Redevelopment Project Area. The 1,288-square-foot, three-bedroom, two-bath townhomes will be available to low-income households and first-time homebuyers who currently reside in the San Ysidro community. The development will reflect the community's Mexican heritage with bold colors, folk art, paved sidewalks and patio flooring. While the units are new construction, they will incorporate the charm of the old neighborhood built more than

Project News... cont. on Page 2

C&ED Programs in the News

Community and Economic Development

Department projects received major exposure recently in print, television and radio news. Highlights include:

- **Winter Homeless Shelter Program /DOD Blanket Donation**
- **EDTS Funding**
- **Medical Marijuana**
- **North Park Theatre Redevelopment**
- **NTC Redevelopment**
- **Cortez Hill Family Center Celebrates Opening**
- **Small Business Assistance Seminars**
- **Small Business Assistance/Business Start-ups**
- **City Heights Metro Center Ground Breaking**
- **Affordable Housing/NOFA**
- **Clean Syringe Exchange Site Selection**
- **Renewal Community/Enterprise Zone Tax Incentives**



THE CITY OF SAN DIEGO

COMMUNITY
& ECONOMIC
DEVELOPMENT

Upcoming Events

April 22

- **South Bay Enterprise Zone Workshop** - Workshop for businesses to help them tap into incentives. For more information, contact (619) 533-4233

May 15

- **Regional Job Fair** - For more information, contact (619) 533-5487

May 27

- **"ABCs to Starting, Growing and Financing Your Small Business"** - Free small business seminar. For more information, contact (619) 685-1390

June 9-13

- **Small Business Week in San Diego** - For more information, contact (619) 685-1390

*Improving the
Quality of Life
and Ensuring
a Healthy
Economy
for All
San Diegans™*



City Partner Profile

RTA Chosen for Technology Innovation Award:



The San Diego Regional Technology Alliance (RTA) received the Gray Cary Technology Innovation Award at UCSD Connect's 2002 Most Innovative Products Awards in December 2002. This prestigious award recognizes an individual or organization in San Diego that, through business activities and community involvement, encourages diversity of thought, supports advancement of San Diego entrepreneurs, and supports and fosters technology innovation.

Last November, RTA held the CalTIP Winners Reception 2002. The CalTIP is a competitive seed grant program that provides much-needed capital for product development and commercialization to help transfer research and development projects into business. The grant provides up to \$250,000 in state funds to match federal technology research and development awards. This year's winners were Fallbrook Engineering, Inc., awarded \$88,334 to commercialize its umbilical cord blood collection devices; Perlan Therapeutics, awarded \$88,334 to develop ColdSol for treatment of the common cold, and V Systems Composites, Inc., awarded \$88,334 to commercialize its HyPerCore composite products – used for such applications as aircraft blades and engine turbines.

The 2002 CalTIP Impact Analysis report was released at the reception. The report provides an objective analysis of the contribution of the CalTIP grant to the local tech community and assesses the quality of its administration by the San Diego RTA.

The San Diego RTA was originally formed as the San Diego Technology Council by the City of San Diego in 1993, under a defense conversion grant from the Department of Commerce. Shortly thereafter, the state created the Regional Technology Alliance program and the City prepared articles of incorporation for the San Diego Technology Council to apply for state RTA status. The City provided original administration of the RTA program prior to its spin-off as an independent non-profit. The San Diego RTA and CalTIP grant supports the local high-tech community and promotes technology growth in the region through technology programs, community development and research. For more information about the RTA and its programs, please visit www.sdrta.org.

Project News... continued from Page 1

a half-century ago. The developer, the nonprofit organization Casa Familiar, has partnered with the City of San Diego Redevelopment Agency and other organizations to subsidize the building and purchase costs for homebuyers. The total cost of this venture is estimated at just under \$2 million and will be completed by July 2003. For more information about projects in the San Ysidro Redevelopment Project Area, contact **Robert Chavez** at (619) 533-5368.

City Heights Redevelopment Project Breaks Ground: The Metro Villas, the 120-unit affordable housing component of the Metro Center project in City Heights, has received an allocation of \$18.8 million in federal and state tax credits that will be used to fund new affordable housing units in the area. The project was the only affordable housing development in San Diego to be awarded tax credits. The \$25.5 million housing component will consist of nine three- and four-story apartment buildings, laundry building and resident activities building. With a total budget of \$47 million, the Metro Center will incorporate office space for regional job training and placement, retail space, community meeting room, computer center, and daycare center. A 489-space parking structure will serve both the commercial and residential components of the project. The Metro Villas was made possible through a unique collaboration with the City of San Diego, its Redevelopment Agency, City Heights Community Development Corporation, San Diego Interfaith Housing Foundation, Housing Commission, CCDC, and San Diego Revitalization Corporation. For more information on projects within the City Heights Redevelopment Project Area, contact **Jim LoBue** at (619) 533-5263.

IDB to Multiple Peptide Systems: In an effort to save San Diego jobs and retain a local high-manufacturing company, the City of San Diego assisted Multiple Peptide Systems with an Industrial Development Bond (IDB) valued at nearly \$4.6 million. Low-cost, tax-exempt IDBs are designed to help promote job creation and are part of a comprehensive program of business assistance provided by the Community and Economic Development Department. Multiple Peptide Systems is financing tenant improvements to its San Diego specialty chemical manufacturing facility, where it produces research-grade and pharmaceutical-grade synthetic peptides. Such synthetic peptides are a basic raw material input critical to the biotech and health sciences industry, one of San Diego's major high-tech industry clusters. The IDB played a major role in the company's decision to stay in San Diego, and the assistance with processing applications, inspections and permits made a huge difference in not only reaching deadlines, but the ultimate completion of the project as well. For more information on IDB's, visit the City's Web site at www.sandiego.gov or call **Mark Sullivan** at (619) 533-7502.



Kiddie Hall: The Kiddie Hall City Employee Child Care Center, which officially opened in December of last year, continues to provide a safe, nurturing environment for children of City employees and Comerica building tenants. The ground-floor playground currently under construction will be completed in April, and will be used

as an outside play area by the older children. With its completion, the playground will allow for the Center to be open to the children of other downtown residents and workers, though first

Project News... continued on Page 5

A Closer Look

In this issue of *The C&ED Report*, we are taking a comprehensive look at program results from fiscal year 2002. While *The C&ED Report* provides regular updates on the status of specific projects, much of C&ED's activities consist of ongoing programs that only report on an annual basis. The following is a sampling of Department Programs and results.



Business Expansion, Attraction and Retention (BEAR)

The City of San Diego's proactive Business Expansion Attraction and Retention program works directly with key businesses in targeted industries to provide assistance that results in the retention and expansion of jobs and investment in San Diego. Primary objectives of the BEAR Team include the creation of private-sector jobs within the City, the generation of tax revenue for the City's General Fund, and key assistance to targeted communities. The BEAR Team accomplishes these goals by providing development permit assistance and business incentives to attract or retain key industries.

Jobs created and retained	7,876
Companies receiving expedite assistance	52
Tax revenue	\$6,830,905
Fee revenue	\$3,511,498
Capital investment	\$540,316,153
Construction valuation of projects	\$206,331,311

Office of Small Business (OSB)

The Office of Small Business provides a variety of specialized services to San Diego's small businesses. Small businesses are the driving force of San Diego's economy, representing more than 60,000 small businesses (approximately 92 percent of all businesses in the City) and about half of San Diego's job growth since 1991. OSB provides matching grants to businesses in targeted areas for storefront renovation projects and administers contracts with organizations providing "niche" business assistance.

Small businesses assisted with permit, zoning, and other related issues	88
CDBG/SBEP/other contracts with organizations providing business assistance	45
Storefront Improvement projects completed	34
Private funding leveraged	\$475,000
Small Business inquiries answered	3,500



6 to 6 Program

San Diego's successful "6 to 6" program, created by a partnership of the City of San Diego and the San Diego Unified School District, opens community schools before and after normal school hours to provide a safe place for elementary and middle school-aged children and youth. After school programs are a good investment by improving academic achievement, keeping kids safe, helping working families, and teaching children social skills and conflict resolution.

Number employed	1,200
Children served	25,000
Schools served	202
Reading scores improved	57%
Math scores improved	44%
Juvenile crime reduced	13.1%
Juvenile victims decreased	11.7%

Social Services

The City of San Diego's Social Service programs are funded by a combination of City General Funds, Community Development Block Grant (CDBG) funds, Emergency Shelter Grant (ESG) funds, San Diego Housing Commission funds, and County of San Diego funds. Social services include: youth services, senior services, disability services, domestic violence/crime victim services, HIV/AIDS services, employment services, and miscellaneous services.

Total Individuals served	35,000
Youth served	15,000
Senior citizens served	8,700
Meals provided to senior citizens	168,170
Meals delivered to HIV/AIDS individuals	35,751
Crisis calls received from crime victims	3,700
Crisis clients	430
Clients provided with employment services	800
Individuals who received Parent/Family services	1,500
Persons with disabilities served	540
Callers who received info and referrals	9,000
Total homeless housed and fed in winter	4,200

A Closer Look cont.

Economic Development and Tourism

The Economic Development and Tourism Support (EDTS) Program was established by the City Council in 1998 to promote the City of San Diego as a visitor destination and to advance the City's economy by increasing tourism and attracting industry. The EDTS program provides funding for non profit, tax-exempt organizations that carry out significant programs, services and events that promote tourism, attract business, or create employment opportunities.

Number of loans dispersed to small businesses	200
Jobs facilitated	1,858 hired
Estimated hotel room sales	\$4,757,000
Estimated Transient Occupancy Tax revenue	\$499,000

Parking Meter Districts

The Parking Meter District Program distributes a portion of parking meter revenue to three designated districts: Downtown, Uptown, and Mid-City. Funds are used for parking lots, parking structures, valet parking, signage, landscaping, maintenance, and security. Program goals include providing more parking, expanding existing parking facilities, changing parallel on-street parking to diagonal parking, and mitigating traffic and parking congestion.



Bus passes sold at the Uptown Kiosk	12,000 per month
Hours of pre-paid parking meter cards sold	7,000 per month
Hours reloaded to recycled cards	1,700
Overall parking meter revenue generated by pre-paid meter cards from FY 02	About 5% (\$275,000)

Neighborhood Revitalization

The City's Neighborhood Revitalization team collaborates with community-based organizations to implement landscaping projects and other public space improvements. These projects benefit businesses, neighborhoods, and the City as a whole by improving the quality of life and increasing economic activity. Landscaping, new lighting and improved pedestrian access dramatically assists older commercial areas to compete with more established business communities and shopping centers.

Revitalization contracts administered	25
Trees planted in revitalization areas	528
Revitalization construction projects managed	8

Enterprise Zones

An Enterprise Zone is a defined geographic area in which businesses can claim certain state income tax savings and other advantages. Enterprise Zones were created in California to stimulate business investments in economically distressed areas as well as spur job growth in areas of high unemployment. The state of California has designated 39 locations as Enterprise Zones. Two are located in the City of San Diego.

Jobs created for low income persons	1,988
Jobs retained	693
Capital investment unsecured	\$27,852,610
Capital investment secured	\$81,569,176
Companies receiving EZ assistance	21

Business Finance

The City of San Diego addresses various finance needs among local businesses both large and small. Activities include issuance of Industrial Development Bonds (IDBs) and direct loans. The City also coordinates with private nonprofit financial intermediaries and for-profit providers to address access to capital gaps that impede economic development. Finally, the City works closely with the banking community under the auspices of the federal Community Reinvestment Act of 1977 and encourages banks to develop and commit to San Diego-specific programs that provide expanded credit and banking access for low-income communities and small and minority-owned businesses.



Total number of loans in portfolio	7
Total principal loans outstanding	\$971,547
Jobs Created	102
Businesses assisted	180
2002 IDB issuance	\$4,600,000
Total IDB portfolio	\$346,296,000

Disability Services

The City of San Diego is committed to being accessible to all persons who live, work, and visit here. The City's Disability Services Program was established in 1991 to coordinate City compliance with the federal Americans with Disabilities Act (ADA). The ADA extends civil rights protection to persons with disabilities. In addition to funding Social Services contracts, the City has designed an ADA compliance strategy to achieve the goal of being an "accessible city."

Number of audible traffic signals completed	37
Curb ramps completed	225
Internal inquires on code info answered	450
External complaints answered	520
Info and referral calls made	1,200

priority continues to go to City employees and Comerica building tenants. For more information, contact **Deb Ferrin** at (619) 533-6511.

Parking Meter District Program: The College Business Improvement District (BID) voted in support of further research into the possibility of installing parking meters around Montezuma Road and Linda Paseo, creating a new College Area Parking Meter District (PMD). The College BID would like to use PMD revenues to provide a neighborhood shuttle service. Currently, the PMD Program manages a portion of parking meter revenues for designated districts including Downtown, Uptown and Mid-City communities. Funds are used to implement solutions to parking problems including parking lots, parking structures, valet parking, signage, landscaping, maintenance and security. For more information, contact **Michele St. Bernard** at (619) 533-4218.



NTC Update: The NTC Foundation, the organization in charge of the development, operation and management of the Civic, Arts and Cultural Center, received a \$300,000 grant from the State Office of Historic Preservation. The grant money issued under the California Heritage Fund Grant Program, is for renovations to Building Five of the Center. Additionally, coming in May, the City's Web site will feature updated information about the NTC/Liberty Station project, complete with a photographic tour. For more information about the NTC Redevelopment Project Area, contact **Maureen Ostrye** at (619) 533-5430.

MLK Senior Center Site Dedication: On January 17, Community Services, Park and Recreation and Council Offices held the site dedication ceremony for the proposed 12,500-square-foot Martin Luther King Jr. Senior Center, to be located in the Martin Luther King Park at 64th and Skyline Drive. This exciting new facility is in the design phase, with anticipated completion in fall 2004. Total project costs are \$4.1 million. Community Services has applied to the Department of Housing

and Urban Development (HUD) for a \$3,030,000 loan for the project, with other funds coming from CDBG, State of California, and park bonds. The City's Engineering Department is overseeing construction and the center will be staffed and operated by the Park and Recreation Department. The HUD Section 108 Loan Guarantee program, which is part of the CDBG program administered by the Community Services Division of C&ED, is one of the major public investment tools offered to local governments from HUD. For more information on the Martin Luther King Jr. Senior Center, contact Project Manager **Kevin Oliver** at (619) 533-3015. For information on the CDBG or other Community Services programs call (619) 236-5990.



The Cortez Hill Family Center Opens: On January 16, the City of San Diego celebrated

the grand opening of the first-of-its-kind transitional housing facility for homeless families, the Cortez Hill Family Center, with a ceremonial ribbon cutting and press conference. The program had been operating in an old warehouse on 12th Avenue and Broadway for a year, and families were able to move into the new location on December 10, 2002. The cost to operate the facility for the first year will total \$801,000 with funding provided by the City of San Diego, a State Emergency Shelter Housing Grant, the County of San Diego and private donations and additional grants. For more information on the Cortez Hill



Family Center or the Homeless Services Program, visit the City's Web site at www.sandiego.gov or call **Kimberly Pearson-Brown** at (619) 533-6280.

City Reaches Out to Small Businesses: On February 7, the City held the annual Small Business Advisory Board public outreach meeting to better understand key business issues and concerns of the City's business community. Businesses were encouraged to attend and share

concerns that affect their ability to do business, from fees and regulations to permits and availability of assistance programs. Many of the issues brought before the board will be addressed throughout the next year in the Board's work plan and at regular monthly board meetings. In addition to public testimony from small businesses, the outreach meeting featured several presentations on redevelopment activities in City Heights, information on a diverse emerging vendor opportunities program and a welcome from Third District Councilmember Toni Atkins. For more information on the City's Small Business Advisory Board or business assistance programs, visit the City's Web site at www.sandiego.gov or call the **Office of Small Business** at (619) 685-1390.

San Diego Lyric Opera Launches North Park Theatre Fundraiser:



A press conference held Monday, February 3, marked the official launch of a campaign to raise funds

for the restoration of the North Park Theatre, a cornerstone project of the North Park Redevelopment Project Area. The conference was organized by Lyric Opera · San Diego, the organization chosen to manage the facility upon its completion. Through several generous donations and grants, the Lyric Opera is more than halfway to its ultimate goal of \$3 million. Event speakers included Lyric Opera General Director Leon Natker, developer Bud Fischer, and District Three Councilmember Toni Atkins to name a few, and special recognition was given to the efforts of the Redevelopment Agency. For more information on the North Park Theatre, contact **Tom Romstad** at (619) 533-5284.

Pacific Beach BIA Installs Art: A 10-foot art piece, entitled "The Wave," was recently installed in the median of Grand Ave west of Fanuel. This is one of three pieces by artist Kim Emerson installed by the Commission for Arts and Culture in collaboration with Discover Pacific Beach (the area's business improvement association). An "ocean life" themed streetscape improvement plan was developed in collaboration with design consultants and Discover Pacific Beach in 1998. Since then, enhancements have included: 250 street trees installed on the main commercial corridors; a colorful "street print" crosswalk at the intersection of

Cass Street and Garnet Avenue; blue benches; trash receptacles; bike racks, and metal icons in the shapes of tuna fish and star fish mounted on light poles. Half of the funding, \$20,000, for the project came from CDBG, which is under OSB/Neighborhood Revitalization management. For more information on Neighborhood Revitalization, contact **Sue McDevitt** at (619) 533-7528.

Agency Recognized for Urban Village:

The City of San Diego Redevelopment Agency is the recipient of the prestigious California Redevelopment Associations's (CRA) 2003 Award of Excellence for the City Heights Urban Village Project. Awards were distributed at the 2003 CRA Annual Conference and Expo in Palm Springs in March. The City of San Diego Considered one of the nation's crowning achievements, major cities around the country are focusing on the Urban Village as an example of successful neighborhood revitalization. The project has turned a once decaying part of San Diego into a thriving community with reduced crime, improved infrastructure, new business opportunities and a renewed sense of civic pride. Congratulations are extended to all partners who contributed to making this project a reality. For more information on the Urban Village, contact **Jim LoBue** at (619) 533-5263.



The El Cajon Boulevard Streetscape Improvements:

The El Cajon Boulevard Streetscape Improvement Project has successfully revitalized El Cajon Boulevard from Park Boulevard to 44th Street, with exception of the portion

between Texas and 30th streets, spanning approximately three miles of an essential Mid-City commercial neighborhood. The revitalization project was initiated by the area's Business Improvement District and is administered by the City of San Diego's Economic Development Division in col-



laboration with local business owners, neighborhood residents and other organizations. The project has added median and sidewalk enhancements, including themed street trees, shrubs and flowering ground covers, enhanced pavement and sidewalk repairs, automatic irrigation and pedestrian lighting and traffic reconfiguration. The portion of El Cajon Boulevard between I-15 to 43rd Street was completed in January 2003. The remaining improvements to El Cajon Boulevard, between Texas and 30th Street, will begin construction in summer 2004. For more information, contact **Sue McDevitt** at (619) 533-7528.

Economic Development and Tourism Support Applications:

In January, C&ED announced that approximately \$700,000 in Transient Occupancy Tax funds is available to nonprofit, tax-exempt organizations through the Economic Development and Tourism Support program (EDTS). Organizations that attract businesses, increase employment opportunities, or promote the City of San Diego as a tourism destination are eligible to apply for funding. The EDTS program received 23 proposals for Transient Occupancy Tax funding by the February 14 deadline. After reviewing all applications, the EDTS Panel assigned the applicants a ranking, which can be appealed and re-evaluated as of April 25th. Once the appeals

have been heard and final ranks assigned, the review panel will work with City staff to develop the final funding recommendations. The panel recommendations, will be forwarded to the Small Business Advisory Board for approval, and then will be sent to the City Manager, the City Council and the Mayor for final approval during the budget process. For more information on the EDTS program, contact **Luis Ojeda** at (619) 533-4246.

Notice of Funding Availability for Affordable Housing Development:

On February 3, the Redevelopment Agency released a Notice of Funding Availability (NOFA) for a \$55 million program to develop new affordable housing units within the City of San Diego. The City is seeking qualified developers and development teams to submit proposals for new projects that include an affordable housing component. A pre-submittal conference for potential developer/development team applicants was held on Thursday, February 20. The release of the NOFA is the first step in the implementation plan for San Diego's comprehensive affordable housing strategy. The goal is to increase the City's affordable housing inventory for very low-, and low-income households, to assist people with moderate-income levels achieve homeownership and, on a case-by-case basis, to acquire and rehabilitate existing properties. Completed units could be available as early as 2005. For more information about the NOFA, contact the City of San Diego Redevelopment Agency at (619) 533-5212 or visit the City's website at: **www.sandiego.gov** and type "affordable housing" in the search field.



The C&ED Report is a quarterly publication of the City of San Diego's Community and Economic Development Department. *The C&ED Report* is distributed primarily through email to City Council and management, other City departments and to partner agencies. *The C&ED Report* features news about achievements, project updates, coming events, and other information related to the department.

To be added to the email distribution, contact:

Managing Editor: Eric Symons, (619) 533-5318, esymons@sandiego.gov

Associate Editors: Tim Graham, Nicole Palmer, Monique Uyeda, Michelle Miller, Vanessa Lee, Anne Stephany

City of San Diego Community and Economic Development Department,
600 B Street, Fourth Floor, San Diego, CA 92101
Phone: (619) 533-4233 Fax: (619) 533-5250 Web: www.sandiego.gov

OUR MISSION:

With an emphasis on urban core neighborhoods and low and moderate income residents, the Community and Economic Development Department improves the quality of life and ensures a healthy economy for all San Diegans through job development, business development, neighborhood revitalization, public improvements, redevelopment, social services, and revenue enhancement.